

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BCom(CS) DEGREE EXAMINATION MAY 2022
(Sixth Semester)

Branch – CORPORATE SECRETARYSHIP

SECURITIES LAWS AND FINANCIAL MARKETS

Time: Three Hours

Maximum: 75 Marks

SECTION-A (10 Marks)

Answer ALL questions

ALL questions carry EQUAL marks (10 x 1 = 10)

1. Shares of an existing company are offered to its existing share holders in proportion to their holding is
 - (i) Share Allotment
 - (ii) Bonus issues
 - (iii) Public issues
 - (iv) Right issues
2. Commercial papers has maturity period of
 - (i) 7 days to one year
 - (ii) 10 days to one year
 - (iii) 14 days to one year
 - (iv) 15 days to one year
3. The main function entrusted with SEBI is
 - (i) Capital formation
 - (ii) Regulating business in stock exchanges and any other security markets
 - (iii) Issue of securities
 - (iv) Giving financial assistants to stock exchanges
4. Public sector banks should have a profitability record of ____ year before pricing their public issues above par
 - (i) 4
 - (ii) 3
 - (iii) 2
 - (iv) 1
5. Primary market is
 - (i) an issue marketability outstand securities
 - (ii) a new issue market
 - (iii) Both
 - (iv) None
6. The person who is appointed to assist the stock brokers is called.
 - (i) Remises
 - (ii) Authorised clerk
 - (iii) Commission Broker
 - (iv) Tarawaniwala
7. It is an order to buy securities as soon as prices raise to a particular level and sell as soon as prices fall to particular level.
 - (i) Make order
 - (ii) Limit order
 - (iii) Cancel order
 - (iv) Stop order
8. ____ contracts are not standard.
 - (i) Forward
 - (ii) Option
 - (iii) Swap
 - (iv) Future
9. Physical certification are converted into electronic balance to the credit of investors account maintained with the depository participant
 - (i) Rematerialisation
 - (ii) Dematerialisation
 - (iii) Actualisation
 - (iv) Registration
10. AA refers
 - (i) Highest safety
 - (ii) High safety
 - (iii) Moderate safety
 - (iv) High risk

Cont...

SECTION - B (35 Marks)

Answer **ALL** questions

(5 × 7 = 35)

ALL questions carry **EQUAL** Marks

(7 × 5 = 35)

11. a) Narrate Equity shares. What are the advantages of equity shares?

(OR)

b) Describe treasury bills and its types.

12. a) Show the objectives of SEBI.

(OR)

b) Explain the provisions relating to grant of recognition to a stock exchange?

13. a) Bring out preference share and its kinds.

(OR)

b) State the role of SEBI towards protection of investors.

14. a) Explain margin trading.

(OR)

b) Enumerate the objectives of NSE.

15. a) Narrate the characteristics of a depository system.

(OR)

b) Show the legal position of credit rating in India.

SECTION - C (30 Marks)

Answer any **THREE** Questions

ALL Questions Carry **EQUAL** Marks (3 × 10 = 30)

16. Summarise money market. Bring out the difference between the money market and capital market.

17. Enumerate the delegation of powers by the central government to SEBI.

18. Highlight the procedure for registration of stock brokers.

19. Outline about rolling settlement.

20. Analyse the advantages of credit rating to investors and corporate borrows.

Z-Z-Z

END